

BY-LAWS OF

THE HIDDEN HOLLOW CONDOMINIUM OWNERS ASSOCIATION, INC.

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BYLAWS OF

THE HIDDEN HOLLOW CONDOMINIUM OWNERS ASSOCIATION, INC.

ARTICLE I

PURPOSE AND MEMBERSHIP

Section 1.1 Purpose. These bylaws are for a nonprofit corporation organized for the purpose of being the association of unit owners for a condominium. As such, the association (sometimes referred to as the "corporation") is governed by the following in the order listed:

- (a) The Georgia Condominium Act and the Georgia Nonprofit Corporation Code (and all other applicable laws);
- (b) The condominium instruments (which are the recorded declaration, plats and plans);
- (c) The Articles of Incorporation for the association;
- (d) These bylaws.

Accordingly, these bylaws must be read and interpreted with the other items listed above. The terms defined in Section 3 of the Georgia Condominium Act shall have the meanings therein specified wherever they appear in these bylaws unless the context otherwise requires.

Section 1.2 Membership. An owner of a condominium unit shall automatically become a member of the association upon taking title to the unit and shall remain a member for the entire period of ownership. If title to a unit be held by more than one person, the membership shall be shared in the same proportion as the title, but there shall be only one membership per unit. Membership does not include a mortgagee or other person who holds an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the owner's membership. Membership shall be appurtenant to the unit to which it appertains, shall be transferred automatically by conveyance of that unit and may be transferred only in connection with the conveyance of title of that unit.

ARTICLE II

MEETINGS OF THE UNIT OWNERS

Section 2.1. Place of Meetings. Meetings of the unit owners may be held at any place within reasonable proximity to the condominium as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth, or if no place is so specified, at the registered office of the association.

Section 2.2. Annual Meetings. The regular annual meeting of the members shall be held on the first Tuesday in January, or on such other date and at such other time as shall be set by the Board of Directors. At the annual meeting, comprehensive reports of the affairs, finances and budget projections of the association shall be made to the unit owners.

Section 2.3. Substitute Annual Meetings. If the annual meeting is not held on the day designated in Section 2.2, any business, including the election of directors, which might properly have been acted upon at the meeting may be acted upon at any subsequent unit owners' meeting held pursuant to these bylaws or to a court order requiring a substitute annual meeting.

Section 2.4. Special Meetings. Special meetings of the unit owners may be called at any time by the president, secretary or any two or more members of the Board of Directors, or unit owners having twenty-five percent (25%) or more of all the votes in the association.

Section 2.5. Notice of Meetings. Unless waived as contemplated in Section 2.6 or by attendance at the meeting, either in person or by proxy, notice of each unit owners' meeting stating the place, time and purpose of the meeting shall be delivered not less than twenty-one (21) days in the case of the annual meeting and seven (7) days in the case of any other meeting before the meeting, either personally or by mail, by or at the direction of the president or secretary or such person calling the meeting, to each unit owner of record, at such address or addresses as any of them may have designated, or if no other address has been so designated, at the address of their respective units.

Section 2.6. Waiver of Notice. Waiver of notice of meeting of the owners shall be deemed the equivalent of proper notice. Any owner may, in writing, waive notice of any meeting of the owners, either before or after such meeting. Attendance at a meeting by an owner, whether in person or by proxy shall be deemed waiver by such owner of notice of the time, date and place thereof unless such owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 2.7. Quorum. A quorum shall be deemed present throughout any meeting of the unit owners until adjourned if unit owners, in person or by proxy, entitled to cast more than one-half (1/2) of the votes in the association are present at the beginning of such meeting.

Section 2.8. Voting of Shares. Voting on all matters shall be by voice vote or by show of hands unless any qualified voter, prior to the voting on any matter, demands vote by ballot, in which case each ballot shall state the name of the member voting and the number of votes voted by him, and if such ballot be cast by proxy, it shall also state the name of such proxy.

Section 2.9. Unit Owner More than One Person. If a unit owner consists of more than one person and only one of those persons is present at a meeting, that person shall be entitled to cast the votes appertaining to the condominium unit; however, if more than one of those persons is present, the vote appertaining to that condominium unit shall be cast only in accordance with their unanimous agreement, and such consent shall be conclusively presumed if any one of them purports to cast the votes appertaining to the condominium unit without protest being made forthwith by any of the others to the person presiding over the meeting. In the event of disagreement among such persons and an attempt by two or more persons to cast such vote, such persons shall not be recognized, and none of such attempted votes shall be counted. In no event shall more than one vote be cast with respect to any condominium unit.

Section 2.10. Proxies. The votes appertaining to any condominium unit may (and shall, in the case of any unit owner not a natural person or persons) be cast pursuant to a proxy or proxies duly executed by or on behalf of the unit owner, or in cases where the unit owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except by written notice delivered to the association by the unit owner or by any of such persons. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid.

Section 2.11. Presiding Officer. The president, or in his absence, the vice-president, shall serve as chairman of every unit owners' meeting unless some other person is elected to serve as chairman by a majority vote of the votes represented at the meeting. The chairman shall appoint such persons as he deems required to assist with the meeting.

Section 2.12. Adjournments. Any meetings of the unit owners, whether or not a quorum is present, may be adjourned by the holders of a majority of the votes represented at the meeting to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, if the time and place of the reconvened meeting are announced at the meeting which was adjourned. At any such reconvened meeting at which a quorum is represented or present, any business may be transacted which could have been transacted at the meeting which was adjourned.

Section 2.13. Action of Unit Owners Without a Meeting. Any action which may be taken at a meeting of the unit owners may be taken without a meeting if a written approval and consent, setting forth the action authorized, shall be signed by each of the unit owners entitled to vote on the date on which the last such unit owner signs such approval and consent and upon the filing of such approval and consent with the officer of the association having custody of its books and records. Such approval and consent so filed shall have the same effect as a unanimous vote of the unit owners at a special meeting called for the purchase of considering the action authorized.

ARTICLE III

THE BOARD OF DIRECTORS

Section 3.1. General Powers. The business and affairs of the association shall be managed by the Board of Directors. In addition to the powers and authority expressly conferred upon it by these bylaws, the Board of Directors may exercise all such powers of the association and do all such lawful acts and things as are not by law, the condominium instruments or Articles of Incorporation, directed or required to be exercised or done by the members.

****DECLARANT'S CONTROL:** NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN AND PURSUANT TO SECTION 33 OF THE ACT, THE DECLARANT IS AUTHORIZED TO APPOINT AND REMOVE ANY MEMBER OR MEMBERS OF THE BOARD OF DIRECTORS UNTIL THE FIRST OF THE FOLLOWING OCCUR:

- (A) THE DATE THREE (3) YEARS AFTER THE RECORDING OF THE DECLARATION; or
- (B) THE DATE AS OF WHICH DECLARANT SURRENDERS THE AUTHORITY TO APPOINT AND REMOVE MEMBERS OF THE BOARD OF DIRECTORS BY EXPRESS AMENDMENT TO THE DECLARATION EXECUTED AND RECORDED BY DECLARANT;
- (C) THE DATE AS OF WHICH AT LEAST TWO-THIRDS (2/3) OF THE CONDOMINIUM UNITS HAVE BEEN CONVEYED BY THE DECLARANT TO UNIT OWNERS OTHER THAN THE DECLARANT.

Section 3.2. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee which shall consist of three (3) members appointed by the president of the association to serve from the close of one annual meeting to the close of the succeeding annual meeting. The Nominating Committee may nominate any number of qualified individuals, but no less than the number of directors to be elected. The nominations shall be made at least twenty-one (21) days prior to the annual meeting and shall be included with the notice of the annual meeting. Nominations shall also be allowed from the floor at the meeting. Failure to comply with this section shall in no way invalidate any election of directors.

Section 3.3. Number, Election and Term of Office. Unless Georgia law permits a lesser number, the number of directors of the association shall be not less than three (3) nor more than nine (9), the precise number to be fixed by resolution of the unit owners from time to time. The initial number shall be three (3). Except as provided in Section 3.5 the directors shall be elected by the affirmative vote of a majority of the votes represented at the annual meeting. Each director, except in case of death, resignation, retirement, disqualification, or removal, shall serve until the next succeeding annual meeting and thereafter until his successor shall have been elected and qualified.

Section 3.4. Removal. Any director may be removed from office with or without cause by the affirmative vote of the holder of a majority of the votes at an election of directors. Removal action may be taken at any annual or special meeting with respect to which notice of such purpose has been given and a removed director's successor may be elected at the same meeting to serve the unexpired term.

Section 3.5. Vacancies. A vacancy occurring in the Board of Directors except by reason of removal of a director, may be filled for the unexpired term and until the owners shall have elected a successor, by affirmative vote of a majority of the directors remaining in office though less than a quorum of the Board of Directors.

Section 3.6. Compensation. Directors shall not receive compensation for their services as directors. A director may serve the association in a capacity other than that of director and receive compensation, as determined by the Board of Directors, for services rendered in that other capacity, if disclosed to the Board in advance.

Section 3.7. Committees of the Board of Directors. The Board of Directors by resolution adopted by a majority of the full Board of Directors may designate from among its members an Executive Committee and one or more other committees, each consisting of three or more directors. Except as prohibited by law, each committee shall have the authority set forth in the resolution establishing said committee.

ARTICLE IV

MEETING OF THE BOARD OF DIRECTORS

Section 4.1. Regular Meetings. Regular meetings of the Board of Directors shall be held within ten (10) days after the annual meeting of unit owners or any meeting held in lieu thereof. In addition, the Board of Directors may schedule other meetings to occur at regular intervals throughout the year, but such meetings shall be held at least once every three (3) months.

Section 4.2. Special Meetings. Special meetings of Directors may be called by or at the request of the president, or in his absence by the secretary of the association, or by any two directors in office at that time.

Section 4.3. Place of Meetings. Directors may hold their meeting at any place within or without the State of Georgia as the Board of Directors may from time to time establish for regular meetings or as is set forth in the notice of special meetings, or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver.

Section 4.4. Notice of Meetings. No notice shall be required for any regularly scheduled meeting of the directors of the association. Unless waived as contemplated in Section 4.7, the president or secretary of the association or any director thereof shall give notice to each director of each special meeting stating the time, place and purpose of the meeting. Such notice shall be given by mailing a notice of the meeting at least five (5) days before the date of the meeting, or by telephone, telegram, cablegram or personal delivery at least three (3) days before the date of the meeting. Notice shall be deemed to have been given by telegram or cablegram at the time notice is filed with the transmitting

agency. Attendance by a director at a meeting shall constitute waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called.

Section 4.5. Quorum. A quorum shall be deemed present throughout any meeting of the Board of Directors if the persons entitled to cast one-half (1/2) of the votes in that body are present at the beginning of the meeting.

Section 4.6. Vote Required for Action. Except as otherwise provided in this section or by law, the act of a majority of the directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors. Each director shall have one equal vote on the board, regardless of the votes attributable to his condominium unit if he is a unit owner.

Section 4.7. Action by Directors Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent thereto shall be signed by all the directors and such written consent is filed with the minutes of the proceedings of the board. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors.

Section 4.8. Conduct of Meetings. The president shall preside over all meetings of the Board of Directors. The secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Robert's Rules of Order (latest edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the declaration or these bylaws.

Section 4.9. Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

ARTICLE V

OFFICERS

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Section 5.1. Number. The officers of the association shall consist of a president, one or more vice presidents as determined or designated by the Board of Directors, a secretary and a treasurer. The Board of Directors shall from time to time create and establish the duties of such officers and elect or provide for the appointment of such other officers or assistant officers as it deems necessary for the efficient management of the association, but the association shall not be required to have at any time any officers other than a president,

secretary and treasurer. Any two or more offices may be held by the same person, except the offices of the president and secretary.

Section 5.2. Election and Term. All officers shall be elected by the Board of Directors and shall serve a one (1) year term or until their successors have been elected and have qualified or until their earlier death, resignation, removal, retirement or disqualification. Only members of the Board of Directors shall qualify to hold the offices of president, secretary and treasurer.

Section 5.3. Compensation. The compensation of all officers of the association shall be fixed by the Board of Directors, subject to the approval of unit owners having a majority of votes in the association provided, however, that no officers appointed by declarant shall receive any compensation from the association.

Section 5.4. Removal. Any officer or agent elected by the Board of Directors may be removed by the Board of Directors at any meeting with respect to which notice of such purpose has been given to the members thereof.

****DECLARANT'S CONTROL:** NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN AND PURSUANT TO SECTION 33 OF THE ACT, THE DECLARANT IS AUTHORIZED TO APPOINT AND REMOVE ANY MEMBER OR MEMBERS OF THE BOARD OF DIRECTORS UNTIL THE FIRST OF THE FOLLOWING OCCUR:

- (A) THE DATE THREE (3) YEARS AFTER THE RECORDING OF THE DECLARATION;
OR
- (B) THE DATE AS OF WHICH DECLARANT SURRENDERS THE AUTHORITY TO APPOINT AND REMOVE MEMBERS OF THE BOARD OF DIRECTORS BY EXPRESS AMENDMENT TO THE DECLARATION EXECUTED AND RECORDED BY DECLARANT;
- (C) THE DATE AS OF WHICH AT LEAST TWO-THIRDS (2/3) OF THE CONDOMINIUM UNITS HAVE BEEN CONVEYED BY THE DECLARANT TO UNIT OWNERS OTHER THAN THE DECLARANT.

Section 5.5. President. The president shall be the chief executive officer of the association and shall have the general supervision of the business of the association. He shall see that all orders and resolutions of the Board of Directors are carried into effect. The president shall perform such other duties as may from time to time be delegated to him by the Board of Directors. The president shall have all the general powers and duties which are incident to the office of the president of an association organized under the Georgia Nonprofit Corporation Code, including but not limited to the power to appoint committees from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of this association.

Section 5.6. Vice-Presidents. The vice-president shall, in the absence or disability of the president, or at the direction of the president, perform the duties and exercise the powers of the president. If the association has more than one vice-president, the Board of Directors shall designate one of them to

act in lieu of the president. Vice-presidents shall perform whatever duties and have whatever powers the Board of Directors may from time to time assign.

Section 5.7. Secretary. The secretary shall keep accurate records of the acts and proceedings of all meetings of unit owners, directors, and committees of directors. He shall have authority to give all notice required by law or these bylaws. He shall be custodian of the corporate books, records, contracts and other documents. The secretary may affix the corporate seal to any lawfully executed documents requiring it and shall sign such instruments as may require his signature. The secretary shall perform whatever additional duties and have whatever additional powers the Board of Directors may from time to time assign him and perform all duties incident to the office of secretary of an association organized in accordance with Georgia law.

Section 5.8. Treasurer. The treasurer shall have custody of all funds and securities belonging to the association and shall receive, deposit or disburse the same under the direction of the Board of Directors. The treasurer shall keep full and true accounts of all receipts and disbursements and shall make such reports of the same to the Board of Directors and president upon request. The treasurer shall perform all duties as may be assigned to him from time to time by the Board of Directors. The treasurer shall prepare or cause to be prepared all required financial statements, tax returns and the budget as provided herein. If the association employs a property manager, attorney or other agent the duties may be delegated to the agent. However, the treasurer shall remain responsible for supervising the agent.

Section 5.9. Assistant Secretary and Assistant Treasurer. The assistant secretary and assistant treasurer shall, in the absence or disability of the secretary or the treasurer, respectively perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Board of Directors. Specifically, the assistant secretary may affix the corporate seal to all necessary documents and attest the signature of any officer of the association.

Section 5.10. Bonds. The Board of Directors may by resolution require any or all of the officers, agents or employees of the association to give bonds to the association, with sufficient surety or sureties, conditioned on the faithful performance of the duties of their respective offices or positions.

ARTICLE VI

INSURANCE

Section 6.1. Types of Coverage. The association shall maintain in effect at all times as a common expense the types of insurance coverage required by Section 39 of the Georgia Condominium Act, any workmen's compensation or other insurance required by law, and such other insurance as the Board of Directors may from time to time deem appropriate.

Section 6.2. Casualty Insurance. The casualty insurance policy affording fire and extended coverage insurance as required by Section 39 of the Georgia Condominium Act shall be written in the name of the association as trustee for the benefit of the unit owners, their respective mortgagees, and any other persons having an interest in the condominium unit, as their interests may appear. The board shall review or cause to be reviewed at least every two years the amount of insurance in effect, taking into account the value and replacement cost of the improvements, and the board may engage appraisers, cost estimators, or others it deems appropriate in connection therewith. The policy shall insure the entire structure, including both common elements and units, but it shall not include any improvements or betterments made by a unit owner or any personal property or fixtures of a unit owner. Each unit owner shall have the right to obtain his own separate insurance at his own expense for improvements, betterments, fixtures and personal property.

Section 6.3. Policy Provisions. The board shall consider and endeavor to obtain casualty insurance on the following terms and conditions if the board considers them advisable:

(a) The insurer shall waive its right of subrogation against the association, the Board of Directors, any directors or officers of the association, any managing agent or other agent or employees of the association, all unit owners, and all other persons entitled to occupying the unit or other portions of the condominiums.

(b) The policy shall not be canceled, invalidated, or suspended on account of the conduct of any person listed in item (a) above without a prior demand in writing delivered to the association and the allowance of reasonable time thereafter within which to cure the defect.

(c) Any "no other insurance" provision in the policy shall expressly exclude the individual unit owners' policies from its operation.

(d) The policy shall include a mortgagee's clause for the benefit of all mortgagees of condominium units.

(e) The policy shall not be canceled or materially altered with respect to any mortgagee for the nonpayment of premium or otherwise until the mortgagee has given thirty (30) days prior written notice of such cancellation or material alteration.

(f) The policy shall include a waiver of any co-insurance provisions.

(g) The policy shall include a deductible amount per occurrence not in excess of \$1,000.00.

(h) The insurer shall provide appropriate insurance certificates to each unit owner and each mortgagee, together with duplicate originals of the policies and proof of payment of the premiums.

(i) The insurer shall be financially sound and responsible and qualified to do business in Georgia.

Section 6.4. Repair and Restoration. In the event any damage to or destruction of the condominium, the decision to repair or restore shall be made as provided in the condominium instruments and Section 7 of the Georgia Condominium Act. If the decision is made not to repair or restore the damage or destruction, then the association shall cause the damaged or destroyed area to be restored to a clean, safe and attractive condition, and the balance of the insurance proceeds, after deducting the cost of collection thereof and the cost of restoring the area, shall be allocated among and distributed for the benefit of the appropriate unit owners and to their mortgagees, if any. If the decision is made to repair or restore the damage or destruction, the same shall be done promptly by the association in a business-like manner in accordance with appropriate procedures for the construction of and payment for the improvements. If the cost of repairing or restoring any damage exceeds the insurance proceeds available for such purpose, then any excess funds required shall be paid by the owner of the unit which was damaged or destroyed. The Board may engage a bank, trust company or other institution of appropriate financial standing to act as an insurance trustee to receive, hold and disburse insurance proceeds pursuant thereto.

ARTICLE VII

FINANCES

Section 7.1. Financial Statements. The Board of Directors shall prepare or cause to be prepared on an annual basis balance sheets and income and expense statements for the association. The annual statements shall be distributed to all unit owners within at least four (4) months after the close of each fiscal year. The financial statements shall be certified by the person preparing them, whether it be the treasurer or the managing agent. The board may from time to time require the financial statements to be audited as a common expense.

Section 7.2. Annual Budget. The Board of Directors shall prepare an annual budget for the association, including expenses, capital improvements, and

reasonable reserves for operating funds, repairs, contingencies, capital expenditures, and other appropriate purposes, and distribute same to the unit owners at least thirty (30) days prior to the annual meeting. The budget shall include a statement of the monthly and annual assessments to be levied against each condominium unit pursuant to it. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of the unit owners having a majority of the votes in the association. If the membership disapproves the proposed budget for any reason, then the budget for the preceding year shall remain in effect with the Board of Directors having the right to increase assessments for expenditures which it deems necessary.

ARTICLE VIII

RULES AND REGULATIONS

Section 8.1 Adoption. The association shall have the authority to adopt reasonable rules and regulations governing the use and enjoyment of the common elements by unit owners and any other persons occupying or having the right to occupy the common elements. Such rules and regulations shall be adopted or modified by the vote of the unit owners having a majority of votes in the association at a regular or special meeting the notice for which included a copy of the proposed rules and regulations to be adopted or the proposed modifications of the existing rules and regulations. The association shall cause any rules and regulations adopted or modified to be distributed to all unit owners promptly after the adoption or modification. A unit owner may obtain a copy of any rules and regulations in effect at any time by written request to the association. The rules and regulations in effect at any time shall be considered a part of these bylaws. The initial rules and regulations are attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 8.2. Enforcement. The Board of Directors shall have the right and power to impose and assess reasonable fines and to suspend an owner's right to use the common elements for any violation of the condominium instruments or these bylaws in accordance with the following procedure:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

- (i) The alleged violation;
- (ii) The action required to abate the violations, and
- (iii) A time period, not less than ten (10) days, during which the violation may be abated without further sanction or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing.

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board of Directors shall serve the violator with written notice of a hearing to be held by the Board of Directors in session. The notice shall contain:

- (i) The nature of the alleged violation
- (ii) The time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; and
- (iii) An invitation to attend the hearing and produce any statement, evidence and witnesses on his or her behalf.

(c) Hearing. The hearing shall be held pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director who delivered such notice. The violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

ARTICLE IX

RIGHTS OF MORTGAGEES

Section 9.1. General. All mortgagees of condominium units shall have the rights set forth in these bylaws in addition to the rights set forth in the Georgia Condominium Act, the condominium instruments, and the Articles of Incorporation.

Section 9.2. Access to Books and Records. All mortgagees shall have full and open access to all of the books and records of the association upon reasonable notice.

Section 9.3. Attending Meetings. All mortgagees shall have the right to attend and speak at any meeting of the unit owners, but no mortgagee as such shall have any voting rights.

Section 9.4. Management Agreements. The association has the authority to enter into a management agreement as set forth in the Georgia Condominium Act. However, any such management agreement shall be subject to termination by the association at any time on not less than ninety (90) days prior written notice, with or without cause.

Section 9.5. Notices. If a first mortgagee notifies the association by written notice to the association's registered office of its status as a first mortgagee, provides its name and mailing address and the identifying number of the condominium unit subject to its first mortgage, and so requests, the association shall notify such mortgagee at the address provided of any obligation under the condominium instruments or bylaws which is not cured within sixty (60) days.

ARTICLE X

MISCELLANEOUS

Section 10.1. Definitions. The term defined in Section 3 of the Georgia Condominium Act shall be deemed to have the meanings therein specified wherever they appear herein unless the context otherwise requires.

Section 10.2. Fiscal Year. The Board of Directors is authorized to fix the fiscal year of the association and to change the same from time to time as it deems appropriate.

Section 10.3. Seal. The corporate seal shall be in such form as the Board of Directors may from time to time determine.

Section 10.4. Registered Office and Agent. The association shall maintain a registered office and shall have a registered agent whose business office is identical with such registered office. The association may have offices at such place or places within reasonable proximity to the submitted property as the Board of Directors may from time to time appoint or the business of the association may require or make desirable.

Section 10.5. Inspection of Books and Records. All accounts, books and records of the association shall be opened to the inspection of the unit owners, mortgagees and prospective purchasers, subject to such reasonable rules and regulations not in conflict with the applicable law as the Board of Directors may impose.

Section 10.6. Indemnification. Each director or officer of this association shall be indemnified by this association against those expenses which are allowed by the laws of the State of Georgia and which are reasonably incurred in connection with any action, suit or proceeding, completed, pending or threatened, in which such person may be involved by reason of his being or having been a director or officer of this association. Such indemnification shall be made only in accordance with the laws of the State of Georgia and subject to the conditions prescribed therein. The association may purchase and maintain insurance on behalf of any such officers and directors against any liabilities asserted against such persons whether or not the association would have the power to indemnify such officers and directors against such liability under the laws of the State of Georgia. If any expenses or other amounts are paid by way of indemnification, other than by court order, action by members or by an insurance

carrier, the association shall provide notice of such payment to the members in accordance with the provisions of the laws of the State of Georgia.

Section 10.7. Waiver. Whenever any notice is required to be given to any unit owner or director by law or by the condominium instruments, a waiver thereof in writing signed by the director or unit owner entitled to such notice or by the proxy of such unit owner, whether before or after the meeting to which the waiver pertains, shall be deemed equivalent thereto.

Section 10.8. Amendment. Except as expressly provided otherwise by law, the condominium instruments or these bylaws, these bylaws may be amended by notice of the proposed bylaw amendment, provided notice of any proposed amendment is also given to all unit owners.

Section 10.9. Declaration of Controls. In the event of any conflict between the provisions of the declaration and these bylaws, particularly those governing the election of directors, the declaration shall control.

Section 10.10. Self-Dealing. Each director and officer, and any property manager, shall disclose in the written minutes of the board any contract or agreement of any kind between the association and any person or entity to which he is related by blood or marriage or in which he has an interest, whether direct or indirect.

Section 10.11. Parking. Pursuant to Article VIII, the board may adopt such rules and regulations as it deems appropriate concerning parking, including the reservation of certain spaces to certain units and marking the parking spaces to indicate such reservation. If parking spaces are reserved, no unit owner shall be discriminated against. For example, if there are enough spaces for two spaces per unit, each unit shall be assigned at least one reserved space and no unit shall be assigned more than one reserved space, and the spaces not reserved shall be available for open parking.

EXHIBIT "A"

RULES AND REGULATIONS OF

THE HIDDEN HOLLOW CONDOMINIUM OWNERS' ASSOCIATION

1. Use of Common Area. There shall be no obstruction of the common area nor shall anything be kept or stored on any part of the common area without the prior consent of the association as specifically provided herein.

2. Prohibition of Damage and Certain Activities. Nothing shall be done or kept in any unit or on the common area or limited common area, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any government body. No damage to, or waste of, the common area, or any part thereof, shall be committed by any unit owner or member of his family or any invitee of any owner. Noxious, destructive or offensive activity shall not be caused on any common area or part thereof. Each unit owner shall refrain from any act or use of his unit which could reasonably cause embarrassment, discomfort or annoyance to other unit owners.

3. Signs. No sign of any kind shall be displayed to the public view on the common area without the prior written consent of the association, except customary "For Sale" signs, which shall be located directly in front of the unit for sale and which shall not be of a size in excess of "For Sale" signs customarily used by realtors in selling residential lots and houses in Hall County, Georgia.

4. Waste Material Containers. No rubbish, trash, garbage or other waste material shall be kept or permitted upon the common area except in sanitary containers located in appropriate areas.

5. Fences. No fence, hedge, wall, or other dividing instrumentality shall be constructed or maintained except as declarant may construct or maintain.

6. Antennas. No mast, tower or pole or outside television antenna, serial or polar shall be erected, constructed or maintained on any portion of the common area except by declarant.

7. Pets. No more than two household pets shall be allowed each unit. Animals shall not be allowed outside unless restricted by a leash. Each resident shall be responsible for retrieval and disposal of any animal waste deposited by an animal owned by that resident or his guest.

8. Occupants. No more than three adults may permanently occupy any unit.

ESTIMATED OPERATING BUDGET

A. PROJECTED MONTHLY EXPENSES OF THE ASSOCIATION

Maintenance of lawn and building:	\$1,575.00
Insurance:	963.00
Administration:	180.00
	<u>\$2,718.00</u>

B. PROJECTED MONTHLY EXPENSES

1. PER UNIT "S"

Maintenance of lawn and building:	\$ 17.50
Insurance:	10.50
Administration:	2.00
	<u>\$ 30.00</u>

2. PER UNIT "L"

Maintenance of lawn and building:	\$ 17.50
Insurance:	13.50
Administration:	2.00
	<u>\$ 33.00</u>

C. Units 18A, 18B, 18C, 19A, 19B, and 19C are "L" units; all other units are "S" units.

D. These expenses are projected only for units in completion. Units not yet begun incur no expenses. As additional units are completed, the total monthly expenses shall be increased commensurately in accordance with the above-assigned liabilities.